#### IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA RICHMOND DIVISION

In re:

Chapter 11

Circuit City Stores, Inc

Case No. 08-35653

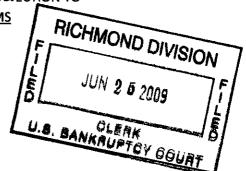
et al.,

Jointly Administered

**DEBTORS' SEVENTH OMNIBUS OBJECTION TO** 

**CERTAIN LATE CLAIMS** 

Ty Holbrook 5915 Crockett Lumberton, Texas 77657 Claim # 10588 Claim Amount \$ 15000.00



The Omnibus Objection should not be upheld for the claim above due to the lateness of the filing of paperwork. The debtor is responsible for promises made by Circuit City for Services rendered and promises made for the future.

Enclosed is Paperwork from Circuit City that was signed by the CEO Phil Schoonover outlining a compensation plan. This is part of a larger group of claims that are already before the court from numerous other persons filling the same claim.

Persons with knowledge of the compensation plan are all store directors as well as the numerous other forms and proof of claims that are already before the court.

Ty Holbrook 5915 Crockett Lumberton, Texas 77657 409-755-7404 409-926-1809 Tut28kt@Gmail.com

Circuit City Stores, Inc. 9950 Mayland Drive Richmond, VA 23233-1464



January 7, 2008

#### Dear Associate:

This is the most challenging and important time to be a leader at Circuit City. That is why management has asked for, and our board has approved, changes to our compensation programs that will apply to you. These changes, which became effective January 1, 2008, are designed to:

- be consistent with our compensation philosophy to provide you with a total reward potential that is commensurate with your peers in our industry;
- complement the long-term compensation objectives we established in 2005 and ensure the new programs provide incentive to improve financial results going forward; and
- help us deliver improved levels of performance and drive long-term business success that, in turn, enhances shareholder value.

The plans are critical to the short- and long-term business objectives of our company. Shareholders expect us to retain the multiple levels of key leadership required to deliver on our multi-year transformation effort. Therefore, it is very important that each of you understands the purpose and significance of these plans.

As I am sure you will appreciate, these plans are relatively complex and they will continue to generate some healthy discussion both inside and outside of the company. The plans contain both a new long-term incentive plan (LTIP) and a one-time cash retention award, and participation varies according to position. The enclosed materials provide the details for your individual awards. Please read the materials carefully and follow-up with your HR partners with any questions or concerns.

We are in the midst of a difficult, but very achievable drive to restore Circuit City to a position of reasonable profitability. These plans will help ensure we have a unified, consistent, and motivated group of leaders across all levels of the company to help us execute at the highest ability over the coming months and years to achieve our

The plans generally include director-level-and-above at the Store Support Center and district-manager-level-andabove in the field. Store directors and a few field and distribution positions will participate in the LTIP. I have personally elected not to participate in the cash retention award. My belief is that it is inappropriate for me to accept an incentive award that is not performance based. I will participate in the LTIP because I am committed to helping you, and 43,000 Circuit City associates, achieve a successful transformation.

I firmly believe in the future of this company and the team that we have in place. We need each of you to stay focused on the long-term, while also executing at the highest level every day in the near-term. I look forward to continuing our work together to achieve our goal and return our company to a strong position of profitability.

Thank you,

Philip J. Schoonover

Chairman, President, and CEO



# **Your Total Direct Compensation**

## **About You:**

| Name           | Ty Holbrook     |  |
|----------------|-----------------|--|
| Employee ID    | 10368744        |  |
| Department     | TX: Port Arthur |  |
| Statement Date | January 1, 2008 |  |

## **About Your Compensation:**

|   | Compensation as of 1/1/2008  Store Director |  |
|---|---|--|
| Job Titie                               |   |  |
| Base Pay                                | \$68,000                                    |  |
| Annual Incentive Target Dollars (\$)    | \$20,000                                    |  |
| Target Annual Total Cash Comp           | \$88,000                                    |  |
| Target Long-Term Incentive (LTI) Award* | \$15,000                                    |  |
| Target Total Direct Compensation        | \$103,000                                   |  |

<sup>\*</sup> Note: Details regarding the 1/1/2008 LTI grant are in the award letter contained in this package.



10368744, Holbrook, Ty N/A, 1/1/2008, PSU



Circuit City Stores, Inc. 9950 Mayland Drive Richmond, VA 23233-1464

January 4, 2008

Ty Holbrook 5915 Crockett Lumberton, TX 776570000

Dear Ty:

Circuit City Stores, Inc. (the "Company") would like to support key associates through a cash award program that provides an incentive to work for the Company's long-term success. Accordingly, I am pleased to inform you that, effective January 1, 2008, you have been awarded the following long-term cash award, which will be payable upon vesting:

Long-Term Cash Award: \$15,000

Your award is subject to the conditions set forth in this letter and to your signing and faxing this letter as instructed further below.

This long-term incentive is a three-year program, with vesting at the end of each of the first, second, and third years. If you remain continuously employed by the Company in a full-time active position from January 1, 2008 through and including:

- January 1, 2009, you will be 33.3% vested in your award and entitled to an initial cash payment equal to 33.3% of your total long-term cash award;
- January 1, 2010, you will be 66.6% vested in your award and entitled to a second cash payment equal to 33.3% of your total long-term cash award;
- January 1, 2011, you will be 100% vested in your award and entitled to a third cash payment equal to 33.4% of your total long-term cash award.

The portion of your award that vests will be paid out following the end of the corresponding vesting period. The vesting of all or part of your award is a taxable event. Accordingly, upon distribution of each payment, the Company will withhold applicable federal, state, and local taxes from this payment.

If your active employment with the Company is terminated <u>for any reason</u> on or before a vesting date, or if you move to a part-time position on or before the vesting date, then the portion of your award that has not yet vested will be forfeited immediately upon the termination of your employment or upon your change to part-time status.

If you remain continuously employed in a full-time active position with the Company through and including the date on which a "Change of Control" of the Company occurs, then any portion of your award that has not yet vested will vest as of such Change of Control date. For this purpose, "Change of Control" has the meaning set forth in the

Circuit City Stores, Inc. 2003 Stock Incentive Plan, as amended and restated, effective December 14, 2006, and that definition is incorporated by reference into, and made a part of, this letter. Generally, a Change of Control will be deemed to occur upon any of the following events: (i) the acquisition by any person or entity of 35% or more of either the Company's outstanding shares or the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors (but excluding certain acquisitions involving the Company or an affiliate, or by any benefit plan sponsored by the Company); (ii) the incumbent members of the Board of Directors of the Company (including any future directors whose election is approved by a majority of the incumbent members) cease to constitute a majority of the Board of Directors; (iii) the consummation of a reorganization, merger or consolidation of the Company or sale or other disposition of all or substantially all of the assets of the Company (with certain exceptions, as described in the 2003 Stock Incentive Plan); or (iv) the consummation of a plan of complete liquidation, dissolution, or sale of substantially all the assets of the Company.

Nothing in this letter confers any right to continued employment with the Company or affects the Company's right to terminate your employment at any time, with or without notice, and with or without cause.

You may not sell, give away or otherwise transfer your right to the award granted hereunder.

In order for your award to become effective, you must accept it by signing this letter and by faxing the entire letter as soon as possible, but in no event later than February 1, 2008, to **757-299-8412**. Your signature will also constitute your agreement to the terms and conditions contained in this letter.

With this award, we express our confidence in your ability to help shape a Circuit City that will benefit our associates, our customers, and our shareholders for years to come.

Sincerely,

Eric A. Jonas, Jr. Senior Vice President Human Resources

ACCEPTED:

Associate Signature

Printed Name

Date

Document Page 6 of 9

10368744, Holbrook, Ty N/A, 1/1/2008, PSU



Circuit City States, Inc 9950 Meyland Drive Richmond, VA 23233-1464

January 4, 2008

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Circuit City #4249

# Transmission Log

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Circuit City Stores, inc 4950 Mayland Guro Bishmond, via 23/233 1464

January 4, 2008

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Gregg M. Galardi, Esq. Ian S. Fredericks, Esq. SKADDEN, ARPS, SLATE, MEAGHER & MCGUIREWOODS LLP FLOM, LLP One Rodney Square PO Box 636 Wilmington, Delaware 19899-0636 (302) 651-3000

Dion W. Hayes (VSB No. 34304) Douglas M. Foley (VSB No. 34364) One James Center 901 E. Cary Street Richmond, Virginia 23219 (804) 775~1000

- and -

Chris L. Dickerson, Esq. SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP 333 West Wacker Drive Chicago, Illinois 60606 (312) 407-0700

Counsel to the Debtors and Debtors in Possession

> IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA RICHMOND DIVISION

In re: : Chapter 11 CIRCUIT CITY STORES, INC., : Case No. 08-35653 (KRH) et al., Debtors. : Jointly Administered

#### NOTICE OF DEBTORS' SEVENTH OMNIBUS OBJECTION TO CERTAIN LATE CLAIMS

PLEASE TAKE NOTICE THAT the above-captioned Debtors (the "Debtors") filed the Debtors' Seventh Omnibus Objection to Certain Late Claims (the "Omnibus Objection") with the Bankruptcy Court. A copy of the Omnibus Objection is attached to this notice (this "Notice"). By the Omnibus Objection, the Debtors are seeking to disallow certain claims on the ground that the claims were filed after the applicable bar date.

PLEASE TAKE FURTHER NOTICE THAT on April 1, 2009, the Bankruptcy Court entered the Order Establishing Omnibus

Objection Procedures and Approving the Form and Manner of the Notice of Omnibus Objections (Docket No. 2881) (the "Order"), by which the Bankruptcy Court approved procedures for filing omnibus objections to proofs of claim and requests for allowance and payment of administrative expenses and/or cure claims (individually, a "Claim" and collectively, the "Claims") in connection with the above-captioned chapter 11 cases (the "Omnibus Objection Procedures").

Specifically, the Omnibus Objection seeks to disallow Claims, including your Claim(s), listed below

| TO:   | Claim<br>Number | Asserted Claim<br>Amount |
|---|-----------------|--------------------------|
| Holbrook, Ty 5915 Crockett Lumberton, TX 77657-0000 | 10588           | \$15,000.00              |

YOU ARE RECEIVING THIS NOTICE BECAUSE THE PROOF(S) OF CLAIM LISTED HEREIN THAT YOU FILED AGAINST ONE OR MORE OF THE DEBTORS IN THE ABOVE-CAPTIONED CHAPTER 11 CASES ARE SUBJECT TO THE OMNIBUS OBJECTION. YOUR RIGHTS MAY BE AFFECTED BY THE OBJECTION. THEREFORE, YOU SHOULD READ THIS NOTICE (INCLUDING THE OMNIBUS OBJECTION AND OTHER ATTACHMENTS) CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.

MOREOVER, PURSUANT TO RULE 3007-1 OF THE LOCAL RULES OF THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA AND THE OMNIBUS OBJECTION PROCEDURES, UNLESS A WRITTEN RESPONSE AND A REQUEST FOR A HEARING ARE FILED WITH THE CLERK OF THE COURT AND SERVED ON THE OBJECTING PARTY WITHIN THIRTY (30) DAYS OF THE SERVICE OF THE OMNIBUS OBJECTION, THE COURT MAY DEEM ANY OPPOSITION WAIVED, TREAT THE OMNIBUS OBJECTION CONCEDED AND ENTER AN ORDER GRANTING THE RELIEF REQUESTED WITHOUT A HEARING.